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UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK	
UNITED STATES OF AMERICA,	
V •	13 Cr. 811 (ALC)
GUILLERMO ARAUJO,	
Defendant.	
x	
	New York, N.Y. November 14, 2014 4:20 p.m.
	1.20 p.m.
Before:	
HON. ANDREW L. CA	RTER, JR.,
	District Judge
APPEARANC	TES
PREET BHARARA	
United States Attorney for the Southern District of New York JASON MASIMORE	
Assistant United States Attorr	ney
DAVIS, POLK & WARDWELL, LLP Attorneys for Defendant	
BY: MARTINE BEAMON SAGAR RAVI	
SAGAN NAVI	

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(Case called)

THE DEPUTY CLERK: Counsel, please state your appearance for the government.

MR. MASIMORE: Good afternoon, your Honor. Jason Masimore for the government.

THE DEPUTY CLERK: And for the defendant?

MS. BEAMON: Good afternoon, your Honor. Martine Beamon and Sagar Ravi for Mr. Araujo.

THE COURT: Okay. Good afternoon.

It appears that Mr. Araujo would like to plead guilty to a superseding information pursuant to an agreement with the government; is that correct?

MS. BEAMON: That's correct, your Honor. That's our application.

THE COURT: Mr. Araujo, I am going to ask you some questions that will require that your answers be under oath so I will ask my wonderful and talented deputy to administer an oath.

(Defendant sworn)

THE COURT: What is your full name?

THE DEFENDANT: My name is Guillermo Araujo.

THE COURT: How old are you?

THE DEFENDANT: 25, sir.

THE COURT: How far did you go in school?

THE DEFENDANT: Tenth grade, sir.

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THE COURT: I'm sorry, I couldn't hear that.

THE DEFENDANT: Tenth grade, sir.

THE COURT: Are you currently or have you recently been under the care of a physician or a psychiatrist?

THE DEFENDANT: Sir, no, sir.

THE COURT: Have you recently been hospitalized or treated for narcotics addiction?

THE DEFENDANT: Sir, no, sir.

THE COURT: Have you taken any drugs, medicine, or pills, or had any alcoholic beverage in the last 24 hours?

THE DEFENDANT: Sir, no, sir.

THE COURT: Have you been furnished with a copy of the superseding information?

THE DEFENDANT: Yes, your Honor.

THE COURT: Have you reviewed it with your attorney?

THE DEFENDANT: Yes, your Honor.

THE COURT: The superseding information has two counts, Count One is a conspiracy to burglarize pharmacies. It alleges from at least in or about September 2007, up to including on or about October 17th, 2013, in the Southern District of New York and elsewhere, that you and others did willfully and knowingly conspire to violate Section 2118(b) of Title 18, United States Code.

Do you understand?

THE DEFENDANT: Yes, your Honor.

THE COURT: And it was a part and object of the conspiracy that you, and others, would and did enter and attempt to enter, without authority, and remain in the business premises and property without authority, of a person registered with the Drug Enforcement Administration under Section 302 of the Controlled Substances Act which is the intent to steal materials and compounds containing quantities of controlled substances.

Do you understand?

THE DEFENDANT: Sir, yes, sir.

THE COURT: And that the replacement cost of these controlled substances to the registrant was \$500 and more and that the person who engaged or intended to engage in such entry used a facility in interstate commerce to facilitate such entry.

Do you understand?

THE DEFENDANT: Sir, yes, sir.

THE COURT: The overt act charged in relation to Count One is that on or about January 4, 2012, that you participated in the burglary of a pharmacy at 3131 East Tremont Avenue in the Bronx during which more than 11,500 tablets containing Oxycodone were stolen, along with approximately \$25,400 in United States currency.

Do you understand?

THE DEFENDANT: Sir, yes, sir.

THE COURT: Count Two charges a narcotics conspiracy. 1 2 It alleges from at least in or about September 2007, up to and 3 including on or about October 17, 2013, in the Southern 4 District of New York and elsewhere that you, and others, intentionally and knowingly, conspired to violate the narcotics 5 6 laws of the United States and that it was a part and object of 7 the conspiracy that you and others would sell and possess with intent to sell controlled substances. 8 9 Do you understand? 10 THE DEFENDANT: Sir, yes, sir. THE COURT: And that the controlled substances 11 12 involved in the offense were quantities of various schedule II 13 controlled substances including Oxycodone and Oxymorphone. 14 Do you understand? 15 THE DEFENDANT: Sir, yes, sir. THE COURT: There are also forfeiture allegations in 16 17 the superseding information as well as the substitute assets 18 provision. 19 Have you reviewed that with your attorney? 20 THE DEFENDANT: Sir, yes, sir. 21 THE COURT: Counsel for Mr. Araujo, have you reviewed 22 the superseding information with your client and are you confident that he understands the nature of the charges 23 24 contained therein? 25 MS. BEAMON: Yes to both, your Honor.

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1 THE COURT: Do you waive formal reading?

MS. BEAMON: We do, your Honor.

THE COURT: Mr. Araujo, I want to make sure that you understand that the superseding information contains two felony charges.

Do you understand?

THE DEFENDANT: Yes, your Honor.

THE COURT: You have a constitutional right to be charged by an indictment of a grand jury but you can waive that right and consent to being charged by information of the United States Attorney. Instead of an indictment these felony charges against you have been brought by the U.S. Attorney by the filing of an information.

Do you understand?

THE DEFENDANT: Yes, your Honor.

THE COURT: Unless you waive indictment, you may not be charged with a felony unless a grand jury finds, by return of an indictment, that there is probable cause to believe that a crime has been committed and that you committed it. If you do not waive indictment, the government may present the case to the grand jury and ask it to indict you.

Do you understand?

THE DEFENDANT: Yes, your Honor.

THE COURT: A grand jury is composed of at least 16 and not more than 23 persons, and at least 12 grand jurors must

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find that there is probable cause to believe that you committed 1 2 the crime with which you are charged before you may be 3 indicted. The grand jury might or might not indict you. 4 Do you understand? 5 THE DEFENDANT: Yes, your Honor. 6 THE COURT: If you waive indictment by the grand jury 7 the case will proceed against you on the U.S. Attorney's information just as though you had been indicted. 8 9 Do you understand? 10 THE DEFENDANT: Yes, your Honor. 11 THE COURT: Have you discussed waiving your right to 12 indictment by the grand jury with your attorney? 13 THE DEFENDANT: Yes, your Honor. 14 THE COURT: Do you understand your right to indictment 15 by a grand jury? 16 THE DEFENDANT: Yes, your Honor. 17 THE COURT: Have any threats or promises been made to 18 induce you to waive indictment? 19 THE DEFENDANT: No, your Honor. 20 THE COURT: Do you wish to waive your right to 21 indictment by a grand jury? 2.2 THE DEFENDANT: Yes, your Honor. 23 THE COURT: Defense counsel, is there any reason why

your client should not waive indictment?

MS. BEAMON: No, your Honor.

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1 THE COURT: Mr. Araujo, is this your signature on this 2 form? 3 THE DEFENDANT: Sir, yes, sir. 4 THE COURT: Before signing it did you review it with 5 your attorney? 6 THE DEFENDANT: Sir, yes, sir. 7 THE COURT: And when you signed it, did you sign it because you wished to waive your right to indictment? 8 9 THE DEFENDANT: Yes, your Honor. 10 THE COURT: I find that Mr. Araujo is competent to 11 proceed. I find that he understands the rights he is waiving 12 by waiving indictment. I find that the waiver is knowingly and 13 voluntarily made and I accept it. We will proceed to 14 arraignment on the superseding information. 15 As you have indicated, Mr. Araujo, you have indicated you understand the nature of the charges contained in the 16 17 superseding information, correct? THE DEFENDANT: Sir, yes, sir. 18 19 THE COURT: For the time being, the Court will enter, 20 on your behalf, a plea of not quilty to Counts One and Two of 21 the superseding information. 2.2 Do you understand? 23

THE DEFENDANT: Sir, yes, sir.

THE COURT: Now, Mr. Araujo, you have a constitutional right to continue to plead not guilty to the charges contained

THE COURT: The government would have the burden of

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proof at all times and the government would have to prove each and every element of the crimes charged to a jury beyond a reasonable doubt.

Do you understand?

THE DEFENDANT: Sir, yes, sir.

THE COURT: Let's turn to those elements.

So, for Counts One and Two of the superseding information starting with Count One, in order for a jury to find you guilty the government would have to prove the following:

First, that two or more persons agreed to burglarize or attempt to burglarize pharmacies involving controlled substances.

Do you understand?

THE DEFENDANT: Sir, yes, sir.

THE COURT: Second, that you joined the agreement or conspiracy knowing of its objective to burglarize and attempt to burglarize pharmacies involving controlled substances.

Do you understand?

Sir, yes, sir. THE DEFENDANT:

THE COURT: And third, that at some time during the existence of the agreement or conspiracy at least one of its members performed an overt act in order to further the objectives of the agreement.

Do you understand?

EBE5garP plea each and every one of those elements to a jury beyond a 1 2 reasonable doubt. In order to attempt to prove your guilt 3 beyond a reasonable doubt the government would call witnesses. 4 Do you understand? 5 THE DEFENDANT: Sir, yes, sir. THE COURT: Your lawyer could question those 6 7 witnesses. Do you understand? 8 THE DEFENDANT: Yes, your Honor. 9 THE COURT: Your lawyer could object to any evidence 10 that the government planned to introduce against you. 11 Do you understand? 12 THE DEFENDANT: Yes, your Honor. 13 THE COURT: You could call witnesses to come to court 14 and your lawyer would have the subpoena power of the United 15 States to make witnesses come to court for you. 16 Do you understand? 17 THE DEFENDANT: Sir, yes, sir. 18 THE COURT: You would have a right to testify on your 19 own behalf. 20 Do you understand? 21 THE DEFENDANT: Sir, yes, sir. 22 THE COURT: At the same time you could not be forced 23 to testify because you have a right against self-incrimination. 2.4 Do you understand?

THE DEFENDANT: Yes, sir.

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1 THE COURT: The right against self-incrimination means that you cannot be required to say that you are guilty out of 2 3 your own mouth. 4 Do you understand? THE DEFENDANT: Yes, your Honor. 5 6 THE COURT: Therefore, even if you are quilty, you are 7 not required to plead guilty. You could remain silent and force the government to attempt to prove your guilt beyond a 8 9 reasonable doubt. 10 Do you understand? 11 THE DEFENDANT: Yes, your Honor. 12 THE COURT: If the government failed to prove each and 13 every element of the crimes charged beyond a reasonable doubt, 14 the jury would have to find you not guilty. 15 Do you understand? 16 THE DEFENDANT: Sir, yes, sir. 17 THE COURT: So, again, even if you are guilty you are 18 not required to plead guilty. 19 Do you understand? 20 THE DEFENDANT: Yes, your Honor. 21 THE COURT: If you plead quilty I will have to ask you 22 what you did that makes you guilty. When you answer those 23 questions you are going to be saying you are guilty out of your

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own mouth.

Do you understand?

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1 THE DEFENDANT: Yes, your Honor. In doing that you will be giving up your 2 THE COURT: 3 right against self-incrimination. 4 Do you understand? 5 THE DEFENDANT: Yes, your Honor. 6 THE COURT: Let's talk about the sentencing process. 7 If I accept your plea of guilty you will meet with the probation department and they will prepare a presentence 8 9 report. 10 Do you understand? 11 THE DEFENDANT: Yes, your Honor. 12 THE COURT: That presentence report will have 13 information about you and the crimes that you are alleged to 14 have committed. 15 Do you understand? 16 THE DEFENDANT: Yes, your Honor. 17 THE COURT: That presentence report will also have the probation department's sentencing guideline calculation. 18 19 Do you understand? 20 THE DEFENDANT: Sir, yes, sir. 21 THE COURT: The sentencing guidelines are advisory. 22 What that means is while I am required to determine the 23 quideline range that applies to your case, once I make that

determination I am not required to sentence you within that guideline range.

1 Do you understand? 2 THE DEFENDANT: Yes, your Honor. 3 THE COURT: If the quideline range that I determine is 4 different than what is in the presentence report or different 5 than what you were hoping for, that will not be a ground to 6 take your plea back. 7 Do you understand? THE DEFENDANT: Sir, yes, sir. 8 9 THE COURT: If the sentence that I impose, which may 10 be within or outside of the guideline range, is different than 11 what you were hoping for, that will not be a ground to take 12 your plea back. 13 Do you understand? 14 THE DEFENDANT: Yes, your Honor. 15 THE COURT: So, as you sit here today there is no promise as to what your quideline range will be, nor is there a 16 17 promise as to what your sentence will be. 18 Do you understand? 19 THE DEFENDANT: Sir, yes, sir. 20 THE COURT: Let's talk about Court Exhibit 1, your 21 agreement with the government. I ask you to look at the last 22 page of that document and confirm whether or not that is your 23 signature. 24 THE DEFENDANT: Sir, yes, sir.

THE COURT: Before signing that did you review that

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agreement and discuss it with your attorney? 1 2 THE DEFENDANT: Yes, your Honor. 3 THE COURT: And, do you understand the agreement? 4 THE DEFENDANT: Yes, your Honor. THE COURT: Does this agreement contain the entirety 5 6 of your agreement with the government? 7 THE DEFENDANT: Yes, your Honor. THE COURT: Counsel for the government, is that 8 9 correct? 10 MR. MASIMORE: It is. 11 THE COURT: Counsel for the defense, is that correct? 12 MS. BEAMON: It is, your Honor. 13 THE COURT: Let's talk about the statutory penalties. 14 Count One has a maximum term of imprisonment of 10 15 years. 16 Do you understand? 17 THE DEFENDANT: Sir, yes, sir. 18 THE COURT: There is a maximum term of supervised 19 release of three years. 20 Do you understand? 21 THE DEFENDANT: Sir, yes, sir. 22 THE COURT: Supervised release is like a term of probation you would serve after a term of custody. You would 23 24 be subject to drug testing, visits by a probation officer and 25 other limitations on your freedom.

1 Do you understand? 2 THE DEFENDANT: Yes, your Honor. 3 THE COURT: If you were to violate a condition of 4 supervised release you could be sentenced to an additional term 5 of custody and/or supervised release without credit for time 6 previously served in custody or on supervised release. 7 Do you understand? 8 THE DEFENDANT: Yes, your Honor. 9 THE COURT: In addition, you are subject to the 10 possibility of a fine. The maximum fine for Count One is the 11 greatest of \$250,000 or twice the gross pecuniary gain derived 12 from the offense or twice the gross pecuniary loss to persons 13 other than you resulting from the offense. 14 Do you understand? 15 THE DEFENDANT: Yes, your Honor. THE COURT: In addition, you are subject to a \$100 16 17 special assessment which is like a fine except it is mandatory. 18 You must pay that. 19 Do you understand? 20 THE DEFENDANT: Sir, yes, sir. 21 THE COURT: Count Two has a maximum term of 22 imprisonment of 20 years. 23 Do you understand? 2.4 THE DEFENDANT: Sir, yes, sir. 25 THE COURT: There is a maximum term of supervised

release of life. 1 2 Do you understand? 3 THE DEFENDANT: Sir, yes, sir. THE COURT: There is a maximum fine of \$1 million. 4 5 Do you understand? 6 THE DEFENDANT: Sir, yes, sir. 7 THE COURT: And there is also a \$100 mandatory special assessment for Count Two. 8 9 Do you understand? 10 THE DEFENDANT: Yes, your Honor. 11 THE COURT: The total maximum term of imprisonment on 12 Counts One and Two is 30 years. 13 Do you understand? 14 THE DEFENDANT: Yes, your Honor. 15 THE COURT: Under your agreement with the government you agree to make restitution in an amount ordered by the Court 16 17 in accordance with 18 U.S.C. Section 3663 and 3663(a). 18 Do you understand? 19 THE DEFENDANT: Yes, your Honor. 20 THE COURT: Also, as part of your agreement with the 21 government, you are admitting to the forfeiture allegations 22 with respect to Counts One and Two. 23 Do you understand? 24 THE DEFENDANT: Yes, your Honor. 25 THE COURT: If you are not a United States citizen I

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EBE5garP plea want to make sure that you understand that your plea and 1 conviction for Counts One and Two make it presumptively 2 3 mandatory that you would be deported from the United States. 4 Do you understand? THE DEFENDANT: Sir, yes, sir. 5 6 THE COURT: Have you discussed that with your 7 attorney? 8 THE DEFENDANT: Sir, yes, sir. 9 THE COURT: While there is no promise as to your 10 quideline range, nor is there a promise as to your sentence, in 11 your agreement with the government the government has set out 12 its sentencing quideline estimate. 13 Have you seen that and discussed that with your 14 attorney? 15 THE DEFENDANT: Yes, your Honor. 16 THE COURT: Counsel for the defense, do you have 17 anything to add to that estimate? 18 MS. BEAMON: No, your Honor. THE COURT: 19 I want to reiterate to you, Mr. Araujo, 20 that what the government has included in the agreement is the 21 government's estimate. It is not binding on the probation 22 department or the Court. 23 Do you understand? 24 THE DEFENDANT: Yes, your Honor.

THE COURT: You have a statutory right to appeal.

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you cannot afford to hire an attorney to help you prosecute the 1 2 appeal, the Court would give you a lawyer for free. 3 Do you understand? 4 THE DEFENDANT: Sir, yes, sir. 5 THE COURT: While you have a statutory right to 6 appeal, under your agreement with the government you have 7 agreed not to file a direct appeal nor bring a collateral challenge, nor seek a sentencing modification of any sentence 8 9 within or below the quideline range of 87 to 108 months' 10 imprisonment. 11 Do you understand? 12 THE DEFENDANT: Sir, yes, sir. 13 THE COURT: Mr. Araujo, are you satisfied with your 14 legal representation up to this point? 15 THE DEFENDANT: Yes, your Honor. 16 THE COURT: Counsel, are you aware of any reason why 17 your client should not plead quilty? 18 MS. BEAMON: No, your Honor. 19 THE COURT: Are you aware of any legal defense to the 20 charges? 21 MS. BEAMON: I am not, your Honor. 22 THE COURT: Mr. Araujo, are you willing to give up 23 your rights to a trial and the other rights that we have

Yes, your Honor.

THE DEFENDANT:

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discussed?

THE COURT: Other than what is contained in Court 1 Exhibit 1, your agreement with the government, has anyone made 2 3 any promises to induce you to give up those rights? 4 THE DEFENDANT: No, your Honor. 5 THE COURT: Has anyone made any threats to force you 6 to give up those rights? 7 THE DEFENDANT: No, your Honor. THE COURT: How do you plead to Counts One and Two of 8 9 the superseding information; quilty or not quilty? 10 THE DEFENDANT: Guilty, your Honor. 11 THE COURT: What did you do that makes you quilty of 12 the crimes charged in Counts One and Two of the superseding 13 information? 14 THE DEFENDANT: Your Honor, from September 2007 to 15 October 17, 2013 I agreed, with others, to burglarize pharmacies in Manhattan and elsewhere. I stole drugs worth 16 17 more than \$500 and was involved in the burglary described in the superseding information. At the time I knew what I was 18 19 doing was wrong. I am very sorry for my actions, your Honor, 20 and to the government. 21 MS. BEAMON: Your Honor, that is to the burglar 22 conspiracy. He has a separate allocution with respect to the 23 drug conspiracy, if that would be appropriate, your Honor. 24 THE COURT: All right. 25

THE DEFENDANT: Regarding the narcotics conspiracy:

From October 2007 to October 17, 2013, I agreed, with others, 1 to distribute drugs and intent to distribute drugs including 2 3 Oxycontin and Oxymorphone in Manhattan and elsewhere. At the 4 time I knew what I was doing was wrong. I am very sorry for my 5 actions, your Honor, and to the government. 6 THE COURT: So, Mr. Araujo, you had an agreement with 7 others to get some drugs; is that correct? 8 THE DEFENDANT: Sir, yes, sir. 9 THE COURT: And where was it that you were planning on 10 getting these drugs from? 11 THE DEFENDANT: From the pharmacy, sir. 12 THE COURT: And when you were getting these drugs from 13 the pharmacies, were you -- was it part of the plan to get 14 these drugs with the permission of the pharmacies? 15 THE DEFENDANT: Sir, no, sir. 16 THE COURT: I'm sorry? 17 THE DEFENDANT: Sir, no, sir. 18 THE COURT: And when you say burglarize, was it your 19 intention -- was it part of the plan to go into the pharmacies 20 without permission? 21 THE DEFENDANT: Sir, yes, sir. 2.2 THE COURT: And to steal those drugs? 23 THE DEFENDANT: Yes, your Honor. 24 THE COURT: And the drugs that we are talking about, 25 what types of drugs were these?

1 THE DEFENDANT: Oxycodone, your Honor. THE COURT: And you indicated before for Count Two 2 3 that you agreed -- let me ask you, did you agree with others in 4 Count Two to sell some drugs? THE DEFENDANT: Yes, your Honor. 5 6 THE COURT: And the drugs that were being sold, where 7 were those drugs coming from? THE DEFENDANT: The pharmacy, your Honor. 8 9 THE COURT: And these were the same drugs that you had 10 agreed to, that there was an agreement to steal from the 11 pharmacy? 12 THE DEFENDANT: Sir, yes, sir. 13 THE COURT: Did you enter into these agreements 14 knowingly and intentionally? 15 (Defendant and counsel conferring) 16 THE DEFENDANT: Sir, yes, sir. 17 THE COURT: Any proffer from the government regarding 18 the pharmacies? 19 MR. MASIMORE: Yes, your Honor. We would show at 20 trial that the pharmacies were registered with the Drug 21 Enforcement Administration. These were pharmacies that 22 lawfully distributed controlled substances pursuant to 23 prescriptions. 24 THE COURT: And for Count One, did you participate in 25 the burglary of a pharmacy at 3131 East Tremont Avenue in the

1 Bronx? 2 THE DEFENDANT: Sir, yes, sir. 3 THE COURT: Any further allocution requested by the 4 government? 5 MR. MASIMORE: No, your Honor. I believe the allocution is sufficient. 6 7 THE COURT: Any further allocution requested by the defense? 8 9 MS. BEAMON: No, your Honor. 10 THE COURT: I find that Mr. Araujo is competent to 11 proceed. I find that he understands the rights that he is 12 waiving by pleading guilty. I further find that there is a 13 factual basis for the plea and I will accept his plea of 14 guilty. 15 Sentencing is scheduled for Friday, March 6, 2015, at 16 3:00 p.m. 17 I also have before me a consent preliminary order of 18 forfeiture. Is that your signature on the last page of that 19 document, Mr. Araujo? 20 THE DEFENDANT: Yes, your Honor. 21 THE COURT: Before signing it, did you read it and 22 discuss it with your attorney? 23 THE DEFENDANT: Yes, your Honor. 24 THE COURT: When you signed it, did you sign it 25 because you wished to consent to his this preliminary order of

EBE5garP plea forfeiture? THE DEFENDANT: Yes, your Honor. THE COURT: I will accept that. Anything else from the government today? MR. MASIMORE: No, your Honor. Thank you. THE COURT: Anything else from the defense? MS. BEAMON: No, your Honor. THE COURT: Okay. Thank you.